

OGC 74-0009
26 December 1973

OGC Has Reviewed

MEMORANDUM FOR: [REDACTED]

STATINTL

SUBJECT : [REDACTED] - Claim

STATINTL

1. I return herewith your file on the [REDACTED] claim. Also see attached our memorandum of 20 December to the Director recommending that he raise the limit on claims authority to \$10,000. If he approves this proposal the Agency regulation on claims could be revised and the [REDACTED] claim approved in the amount of \$10,000. Our memorandum of 29 November (OGC 73-2205) was not directed to the adoption of other statutory authority by the Director which our attached memorandum to him proposes.

STATINTL

2. As I indicated in one of our recent conversations, legislation is now in process which would raise the \$10,000 limit to \$12,000 and would have a retroactive feature. OLC advises that the legislation is expected to pass. If and when this legislation does become law, it would then be possible to approve payment to [REDACTED] of the additional \$1,698.

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[REDACTED]

STATINTL

Associate General Counsel

Attachments

RHL: cav

Orig / Addse

- ✓ 1 - OGC SUBJ: CLAIMS
- 1 - RHL Signer
- 1 - Chrono

OGC 73-2205

29 November 1973

MEMORANDUM FOR: Executive Officer to the Deputy Director
for Management and Services

SUBJECT: Agency Employee's Loss of Effects by
Fire

STATINTL

In accordance with your request, we have reviewed
[redacted] case and we have concluded that there is no legal
basis for the Agency to pay that portion of [redacted] claim in
excess of \$6,500. Specifically, it is our opinion that the special
authority of the Director should be invoked only for claims arising
from "unusual or operational circumstances related to the unique
mission of the Agency," which is not the case in this instance.

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[redacted]

Assistant General Counsel

STATINTL

JGB:ks

Distribution:

- Original - Addressee w/original of incoming, OGC 73-2195
- ✓ - CLAIMS w/cy incoming " "
- 1 - JGB Signer
- 1 - Chrono

Approved For Release 2002/05/08 : CIA-RDP75-00793R000100280001-8

21 OCT 1973

MEMORANDUM FOR: Deputy Director for Management and Services

VIA : Assistant General Counsel
Cover and Commercial Staff
DD/M&S and DD/S&T Claims Review Board Members

FROM : Chairman, Claims Review Board

SUBJECT : Claim for Loss of Effects by Fire -
[REDACTED]

REFERENCE : [REDACTED]

STATINTL

1. Action Requested: In May of this year, [REDACTED] a staff employee then serving in [REDACTED] and his family suffered a devastating loss when their household effects and personal property were destroyed by fire. It is requested that [REDACTED] claim to the Agency for reimbursement be approved at \$6,500.

2. Background:

a. [REDACTED] is a Logistics career designee who was assigned to [REDACTED] from August 1971 to August 1973. He was paid a quarters allowance by the Agency for the three-bedroom apartment which he occupied with his wife, teen-aged son and daughter, and pet dog.

b. On the evening of 7 May 1973 fire broke out in the [REDACTED] apartment, causing almost total destruction of the household effects before being brought under control. (The attachment relates the circumstances of the fire.) The [REDACTED] confirmed that the household effects and personal property of the [REDACTED] family were considered a total loss and requested Headquarters approval to advance funds to [REDACTED]. This request was approved on 10 May 1973, and an advance of \$6,500 was made to [REDACTED] on the condition that he refund the difference between that amount and any lesser final claim settlement.

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Approved For Release 2002/05/08 : CIA-RDP75-00793R000100280001-8

SUBJECT: Claim for Loss of Effects by Fire [REDACTED]

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c. [REDACTED] has now submitted a detailed and itemized claim to the Agency in the amount of \$13,509.

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have advised [REDACTED] that, since the Agency paid his quarters allowance in [REDACTED] he should not pursue his [REDACTED]

[REDACTED] Mr. Pence found the premium prohibitive and did not carry household insurance.

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3. Staff Position:

a. [REDACTED]

[REDACTED] has no recourse in seeking reimbursement for his loss but to pursue his claim with the Agency. As a practical matter, the Board feels [REDACTED] should have insured his household effects. However, [REDACTED] which prescribes conditions under which claims are to be considered, does state that "...failure to carry insurance does not affect the validity of a claim. . ."

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b. It is noted that the military services and the Department of State have received congressional authority to increase their maximum settlements to \$10,000, and a bill is currently in the House of Representatives to increase claim settlement authority for all agencies to \$12,000. At this time, though, the Agency is limited to a maximum of \$6,500 for the settlement of claims.

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4. Recommendation: [REDACTED] claim to the Agency totals \$13,509; the depreciated value of the [REDACTED] destroyed property is established at \$11,698. Although \$6,500 is clearly inadequate in compensating for this disastrous loss, settlement of claims under [REDACTED] is limited to that amount. Thus, it is recommended that [REDACTED]'s claim to the Agency be approved at \$6,500. As [REDACTED] has received an advance in that amount, it is requested that the funds so awarded be used to clear Agency accounting records of that outstanding advance.

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[REDACTED]
Chairman
Claims Review Board

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STATINTL

Approved For Release 2002/05/08 : CIA-RDP75-00793R000100280001-8

SUBJECT: Claim for Loss of Effects by Fire
(C-3269)



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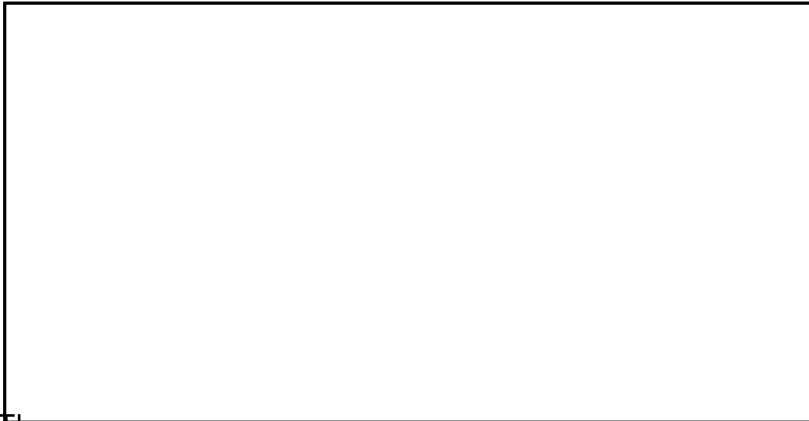
CONCURRENCES:



STATINTL

Assistant General Counsel

21 Nov 73
Date



21 Nov 73
Date

STATINTL

DD/M&S Board Member

21 Nov 73
Date

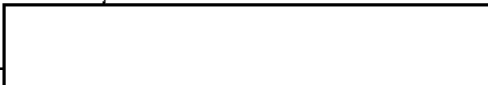


11/21/73
Date

DD/S&T Board Member

STATINTL

APPROVED:



DISAPPROVED:

Distribution:

- Orig & 1 - OF
- 2 - DD/M&S
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- 1 - OL/AGC
- 1 - C&CS
- 1 - HBS Official w/background

MEMORANDUM FOR: Chairman, Claims Review Board

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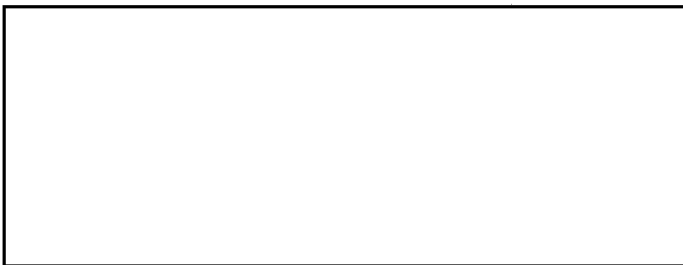
SUBJECT : Claim for Loss of Effects by
Fire - [REDACTED]

1. I take this opportunity to make known the need of my family for financial reimbursement and to give axioms regarding this need.

2. On 5 May 1973, as a result of a fire, my household incurred a tragic loss. Now, 6 months later and after again settling down in a home, my family and I daily miss necessary objects that need replacement. Most important, I would like to direct your attention to the fact that the replacement price of most all the items listed on my claim is greater than the amount of the original cost. Because of this tremendous materiel loss, estimated to be \$11,698 (at the depreciated amount), I was forced to spend the money which I had saved for the forthcoming education of my children, in addition to the \$6,500 advance received from the Agency. Immediately after our ordeal, [REDACTED] and our many friends there gave their whole and moral support, as well as contributions, for which we will be forever grateful.

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3. In view of the foregoing, I request your favorable consideration toward full reimbursement for my losses as cited in the claim. STATINTL



MEMORANDUM FOR: Chairman, Claims Review Board

SUBJECT : Claim for Loss of Effects by Fire--
[redacted]

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25X1A

1. [redacted] a GS-10 currently serving as a member of the Supply Division, has suffered a staggering loss, as evidenced by the subject claim. Such a loss would be crippling to most employees at any grade. The magnitude of the loss and the traumatic effect it undoubtedly has had on this relatively junior employee and his family warrant, I believe, special consideration by the Agency of his claim.

25X1A

2. Under [redacted] will be able to recover only the statutory limitation of \$6500 (little more than half his loss) unless the special authority of the Director is invoked. Technically, this case does not meet the regulatory criteria of "unusual or operational circumstances relating to the unique mission of the Agency" necessary for subject action to be taken. However, I urge the Board to seek approval, on compassionate grounds, for payment of the full amount of the [redacted] claim.

25X1A

[redacted]
Chief, Supply Division, OL

25X1A

CIRCUMSTANCES OF THE FIRE AND DETAILED BOARD FINDINGS

- STATINTL 1. On the evening of 7 May 1973 [] and his son STATINTL
were both away from their residence attending a class and a
film respectively. At approximately 9:00 p.m., while Mrs.
[] and her daughter were finishing a dressmaking task in
STATINTL the master bedroom, the lights went out. They noted that the
power had also failed in structures across the street from
their apartment. After waiting about 10 minutes in darkness, STATINTL
[] went to the kitchen for candles, which she then
STATINTL placed on the kitchen cabinet, in the dining room, and in the
master bedroom. Approximately 10 minutes later the [] pet
dog, who was also in the master bedroom, began to bark. Both
[] and her daughter immediately sensed that something
was wrong and, as they walked into the hall, they found that
the daughter's bedroom was on fire. The door to that bedroom
was half open, and flames could be seen on the closet side of the
room. (It is noted at this point that no candles had been placed
in that room.)
- STATINTL 2. [] sent her daughter for help; the fire depart- STATINTL
ment was called, and neighbors came to assist [] in her STATINTL
attempt to fight the fire. An apartment maintenance worker and
a neighbor tried to activate two fire extinguishers, neither STATINTL
of which worked. At that point, the fire was still confined to
the daughter's bedroom and might have been contained if the fire
extinguishers had worked. During this interval, [] was
trying to control the blaze with a garden hose, but it simply
did not reach far enough to be effective. Finally, all were
being overcome by smoke and were forced to leave the building.
In fact, all tenants were evacuated from the apartment building
STATINTL as the fire in the [] apartment continued to rampage. At
first it was feared that the dog, [] had perished in the STATINTL
fire but, luckily, he was found safe on the back porch.
3. By this time the fire trucks and police had arrived.
(It is estimated that the time from discovery of the fire to
the time it was finally controlled was about 30 minutes.) The
fire-fighting force had been hampered by indigenous individuals
who were throwing stones in the windows of the building; the
police were trying to contain this unruly element and keep these
individuals from entering the actual building compound. Finally,
the police report of the fire notes that it started in the
daughter's bedroom, but no actual cause could be determined.

STATINTL 4. [] claim to the Agency totals \$13,509. Of this
STATINTL amount, \$277 is claimed for repair and cleaning costs to the
few items of furniture and clothing which were salvaged from the
apartment and for the cost of library books which were on loan to
the [] at the time of the fire. [] has certified that STATINTL
the billings and receipts for these items have been misplaced.
Since receipts for these items are lacking, it is felt they should
be disallowed from consideration. Standard Department of Army
depreciation rates have been applied to the \$13,232 remaining
value (\$13,509 less \$277) of the [] family's itemization of STATINTL
loss, and the adjusted value of the claim is established at \$11,698.

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
OFFICIAL ROUTING SLIP					
TO	NAME AND ADDRESS		DATE	INITIALS	
1	[REDACTED]				
2	EO/DDM&S				
3	7D-18, Hdqs.				
4					
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ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
Remarks:					
[REDACTED]					
<p>As I mentioned in the hall today, the Director has approved the authority to settle claims of employees to compensate for loss or damage to personal property incident to their service. See a copy of our paper approved by the Director on 9 January 1974, attached. I believe this permits the DD/M&S to approve the [REDACTED] claim in the amount of \$10,000 and that his action need not await the revision of the Agency regulation, [REDACTED]</p> <p>[REDACTED]</p>					
Att					
FOLD HERE TO RETURN TO SENDER					
FROM: NAME, ADDRESS AND PHONE NO.				DATE	
[REDACTED], OGC, 7D07, Hdqs.				10Jan.74	
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✓ cc: CLAIMS [REDACTED]

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TO	NAME AND ADDRESS	DATE	INITIALS
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ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

The attached has some background which Tex can fill you in on. I will be glad to brief you also.

Att

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FROM: NAME, ADDRESS AND PHONE NO.

DATE

OGC, 7D07

2 Jan. 74

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FORM NO.
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NOTE ATTACHED TO OGC 74- 0009